

Hawai'i Construction Alliance

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June 6, 2017

The Honorable Ron Menor, Chair
The Honorable Ikaika Anderson, Vice Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

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RE: Support for Bill 59, Relating to Affordable Housing Incentives

Dear Chair Menor, Vice Chair Anderson, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

We have been extremely concerned about the chronic deficiency of rental apartment housing across the state, which is negatively affecting families throughout the entire community – including our members. Along with our partners in the banking, development, landowning, contracting, architecture, and engineering communities, we have identified measures which can be taken to improve the economics of construction, developing, and financing rental housing projects.

Many of the measures we have identified are being undertaken by the private sector. Other measures will require government intervention through waivers from certain State and County taxes and fees, including, but not limited to, those spelled out in Bill 59.

Bill 59 seeks to provide incentives in the form of real property tax exemptions, waivers for wastewater system facility charges, waivers for building permit and plan review fees, and waivers for park dedication requirements for certain affordable dwelling units. We appreciate the intent of the bill and look forward to working with the Council to amend the bill to ensure that these incentives are applied fairly and equitably to all homebuilders.

As the bill moves through the Council process, we are excited to help shape this bill so that it will effectively incentivize the creation of the type of rental housing that our community so desperately needs.

Mahalo,



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Hawai'i Construction Alliance
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